

[From the New York Times, July 13, 2005]

THE WAGES OF FAILURE ON WALL STREET

Words like golden parachute hardly do justice to the stunning \$32 million worth of a not-so-fond adieu engineered at Morgan Stanley, the troubled Wall Street securities giant, for its departing co-president, Stephen Crawford. Stockholders and employees are properly seething at the deal cut for Mr. Crawford—after a mere three months on the job—by a board that was oblivious to protecting the bank's reputation as it over-rewarded his fealty to Philip Purcell, the chief executive who was driven out in a messy power struggle last month.

The board majority appointed by Mr. Purcell opened the bidding on failure's rewards by ushering Mr. Purcell to the exit with a \$43 million sweetener. Now others from his team of loyalists—sycophants is the term outraged critics prefer—are lining up to walk the platinum plank behind Mr. Crawford, who never ran a business division at the bank yet rose to the top as Mr. Purcell's attentive protégé.

Mere groundlings juggling finances at their neighborhood A.T.M.'s must pause slack-jawed at how Wall Street insiders are so ludicrously compensated for plain failure at steering their companies. Few of life's losers land so affluently.

The repair task now falls to John Mack, the new chief executive and Morgan Stanley veteran. Facing a furor among stockholders and staff over the severance machinations, Mr. Mack had second thoughts about his own guaranteed salary of up to \$25 million, so he is instead invoking a merit-pay standard for himself. This amounts to innovation at Morgan Stanley, where dozens of bankers, traders and managers quit when the Purcell team ascended and ensconced their own in top positions even as the bank lagged behind its competitors.

Mr. Mack is already seeking the return of the more respected departees who ran profitable divisions. He has retained the other Purcell co-president, Zoe Cruz; she was smart enough to turn down the board's garish compensation package.

The new chief won't get far with recovery, however, unless he impresses workers and investors with a fresh dedication to merit. That has to begin with the departure of the current directors—on terms worth no more than their true value in having compounded the turmoil at Morgan Stanley.

VETERANS' COMPENSATION COST-OF-LIVING ADJUSTMENT ACT OF 2005

SPEECH OF

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 2005

Mr. GENE GREEN of Texas. Mr. Speaker, I rise today to offer my support for this bill, but also to voice my concerns with the Leadership and Administration's handling of other veterans' issues. This bill is recognized by members on both sides of the aisle as necessary to ensure veterans' compensation is adjusted regularly each year to keep up with inflation and other market trends by linking the increase to that of the Social Security COLA, which is based on changes in the Consumer Price Index.

This is a common-sense approach to ensure veterans' compensation keeps pace with the cost of living. It would make sense then

that a similar approach would be taken using an appropriate formula to determine funding levels for other programs such as VA healthcare. Instead, House Leadership has refused to move legislation for the last three Congresses to reform the discretionary budget-appropriations process for VA healthcare, and the result is the current funding crisis that the VA is experiencing.

Less than two weeks after first telling Congress it could ride out the fiscal year with inadequate funding, then reversing and asking for \$975 million in supplemental funds, the Administration admitted this week that it needs yet another \$300 million to take care of veterans' health care needs through September. Had this House followed the Senate's lead and appropriated \$1.5 million in emergency VA funding, we would have already covered the second shortfall just recently acknowledged by the White House, and the VA would have the funds to resume providing healthcare to our Nation's veterans.

Instead, while the differing supplemental measures wait to be reconciled, more than 50,000 veterans await health care appointments, clinical positions across the VA are not being filled, VA hospitals are deferring critical equipment purchases, there are shortages of medical supplies in some locations and the number of veterans of the wars in Iraq and Afghanistan seeking services at VA hospitals continues to rise.

The 2006 budget request was similarly short. What is even more troubling is that funding for veterans' health care beyond 2007 is cut significantly below the amount needed merely to account for inflation.

In a recent letter to House Veterans' Affairs Committee Chairman Steve Buyer, the directors of nine Veterans' Service Organizations pointed out that VA employees in VA facilities are denying and rationing care to tens of thousands of fully eligible veterans, even those with service-connected disabilities, serious chronic illnesses and deteriorating health.

These organizations also stated that veterans are being told they are not eligible for nursing home care when they are absolutely eligible by law. They are told that visits to VA and contract mental health practitioners must be limited to one visit per month irrespective of diagnosis or intensity of need. Veterans are told they cannot be seen for routine physical examinations or preventive visits because they are not "authorized" to receive such care. Veterans are told if they fail to appear for scheduled appointments, they will be dropped from VA rolls altogether and must re-apply for enrollment from the back of the line. While forcing untold numbers of veterans to wait unconscionable periods, VA denies the existence of a waiting list.

Mr. Speaker, this is deplorable. If the VA cannot provide healthcare to the veterans currently needing care, how can they take care of the men and women coming back from Iraq and Afghanistan requiring care?

I urge the Veterans' Affairs Committee and the House Leadership to take steps to address this problem so that we are not faced with similar problems in the future. Our veterans have served their country bravely and deserve better than this.

COMMEMORATING 60TH ANNIVERSARY OF CONCLUSION OF WAR IN THE PACIFIC AND HONORING VETERANS OF BOTH PACIFIC AND ATLANTIC THEATERS OF SECOND WORLD WAR

SPEECH OF

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 2005

Mr. HASTINGS of Florida. Mr. Speaker, I rise in support of H. Con. Res. 191, a resolution to commemorate the 60th anniversary of the conclusion of the war in the Pacific and to honor veterans of both the Pacific and Atlantic theaters of the Second World War. It is profoundly important that we remember the sacrifices our troops made in those terrible times. But more than remembering, we must convey the gratitude due to those soldiers who risked their lives in the defense of the innocent, the protection of freedom, and in the name of our great country.

To build a prosperous future, we must work to appreciate our past. It has not always been a peaceful one. From our country's founding over two centuries ago, American soldiers have engaged in many battles to defend our Nation and our way of life. Whether the call has been the defense of democracy, the ending of tyranny, or the protection of innocent civilians all over the world, American soldiers have answered with dignity and honor. This resolution reflects a will to remember the countless sacrifices of our soldiers in one of the most terrible wars of our history.

Aristotle wrote, "We make war that we may live in peace." Never was the need to engage greater than for President Roosevelt's America some 65 years ago. The spread of Nazism led our troops over the Atlantic into the first of what would soon be two major theaters of war. Our Armed Forces crossed the Atlantic to join the allies in an assault of Germany. Then, after the atrocious attack on Pearl Harbor in December 1941, they crossed the Pacific to engage the Japanese. These dark times witnessed monumental loss of life and called for the greatest levels of sacrifice, both from the troops and the families they left behind. Yet our spirit never wavered, and this country survived one of its greatest tests.

Mr. Speaker, we owe so much of this survival to the quality of our troops. They protected us then as they always have—with honor, courage and resilience. As we enjoy the freedoms afforded to this great Nation, we must remember and celebrate the achievements of our veterans. We are forever grateful for their gift of peace. This is a gift we will never be able to fully repay, but one that continues to engender respect and gratitude. It is the spirit of gratitude that gives birth to this resolution, and in that spirit I am privileged to offer my full support.

PERSONAL EXPLANATION

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 2005

Mr. GUTIERREZ. Mr. Speaker, I was unavoidably absent from this chamber on July